

## **Comments from Ozone Transport Commission (OTC) Aftermarket Catalyst Model Rule Revision Stakeholders and OTC Responses**

- 1. Kevin Brown (Manufacturers of Emission Controls Association – “MECA”):** We would like to remind the OTC Mobile Sources Committee of the importance to provide at least a three-year interval from rule adoption to effective date to allow manufacturers to adjust production and part inventories to ensure compliant product supply and to work with distributors, retailers and installers on program implementation. There are over 280 million light duty vehicles in the total US fleet and over one million EPA and CARB compliant aftermarket catalytic converters in inventory with distributors, retailers and large and small repair / service providers throughout the United States.

**OTC response: Both Colorado and New York have provided a three-year lead time to: 1) ensure manufacturers have time to increase production of new CARB exempt parts, ensure adequate parts availability, and adjust regional inventories at distributors and retailers; 2) allow small local businesses to sell off their current EPA-compliant product; and 3) ensure that installers are aware of the new rules. OTC will include language in the model rule indicating the rule takes effect three years after finalization.**

- 2. Kevin Brown (MECA):** With regard to definitions within the model rule, there are instances where the role of manufacturers of CARB compliant aftermarket converters can include the distribution, retail sale and actual installation of these products. We are not aware of any manufacturer that currently provides commercial installation services of catalytic converters. Therefore, we suggest that these definitions be revised accordingly or that further explanation of how a manufacturer fulfills the role of an installer.

**OTC response: The Mobile Sources Committee will remove the reference to “manufacturers” in the definition of an installer in the model rule.**

- 3. Kevin Brown (MECA):** The existing California aftermarket catalytic converter program offers several benefits, including:
  - Ensuring that aftermarket converters are designed and rigorously tested for use on all California certified light duty gasoline vehicles regardless of which state they are sold in.
  - These converters offer performance on par with the original OE converter ensuring emissions benefits and are proven to be more effective and durable than converters which only meet EPA’s federal requirements which date to 1986 (before the LEV II / Tier 2 and LEV III / Tier 3 original equipment standards were set).
  - CARB already requires manufacturers to provide warranty, and report sales and warranty claims. California maintains resources to provide oversight and manufacturer enforcement if needed. Due to the more stringent aftermarket catalytic converter performance, durability and

other California exemption requirements, actual warranty rates have been extremely low and to date there have been very few recalls due to product performance issues.

The model rule as currently written would require manufacturers to provide state by state reporting of sales and warranty. Such a requirement would result in significant redundant costs and especially in smaller states. It must be said that distribution and sales channels cross state lines freely and this greatly impacts manufacturer visibility on a state-by-state basis. These additional costs would be incurred by manufacturers which would increasingly disadvantage them in the current marketplace where there is a growing presence and sales offering of fraudulent lower cost aftermarket converters. As states that have adopted California vehicle standards have relied on California's oversight and enforcement of new vehicle automotive manufacturers, we would ask that the same occur for aftermarket catalytic converters. Our member manufacturers are committed to sharing their aggregated California warranty reports with other states that require the use of California exempt aftermarket converters as they already do with New York and Colorado. These warranty reports include all sales of California exempt aftermarket converters. In addition, these aggregated warranty reports provide the most accurate information as they include all manufactured converters and applications regardless of where they are sold.

**OTC response: We note that CARB reporting requirements are for production and warranty claims in California and not nationally. However, OTC has made a change to the revised model rule to make the requirement that manufacturers provide state by state reporting of sales and warranty optional for states to adopt. States that determine the reporting of sales and warranty provision is needed can include this in their regulations. Some states will determine the requirements are needed, especially because CARB requirements are only for production and warranty claims in California.**

#### **4. Matt Larkin (Compliance and Research Services)**

We have demonstrated that a supplemental catalytic converter can be installed downstream of all the OEM emissions control components and can provide significant reductions of toxic pollutants with about a 1% impact of fuel economy. Under their 511 program for aftermarket devices, the EPA has verified the testing data which shows that our catalyst achieves 40% reductions of CO and VOC and 70% reductions of NOx after 70,000 miles of aging. The catalyst has minimal impact on fuel economy and does not cause the ECU to turn on a MIL. This supplemental catalytic converter is a great tool to use to reduce the VOC and NOx from older gasoline vehicles. According to the US DOT, the average age of a vehicle is 12 years, and those 12-yr old vehicles are still being driven more than 12,000 miles per year.

We disagree with two items in the draft document. In Sections (2)(c)(1) (2)(c)(2), you require that the vehicle be beyond its original emissions warranty and a legitimate reason to replace the original catalytic converter. There is no basis for these restrictions. Our device does not cause the ECU to generate an error code because the ECU does not detect the presence of our catalyst. We don't interfere with any OBD sensors, so we are not tampering with the emissions control system. In section (2)(c)(6), you prohibit the installation of additional catalytic converters. Again, our data shows that there is no technical basis for this restriction.

**OTC response: Compliance and Research Services (CARS) requested that OTC remove the prohibition against adding additional catalytic converters to a vehicle. It should be noted that the model rule is intended to address the replacement of catalytic converters in the original emissions control configuration as designed by the original equipment manufacturer. CARS 's comment, which is fundamentally an applicability issue, is a unique situation that states may choose to address during state-specific rule adoption efforts. However, at this time, the OTC will not amend the proposed language in (2)(c)(6) so as not to create implementation or enforcement concerns with respect to identifying tampered vehicles.**

**CARS' second comment asks that OTC delete from the model rule the prohibition against removing a catalyst while a vehicle emissions warranty is still valid. This prohibition is based on states' reliance and high level of certainty that catalysts are functioning according to manufacturer specifications during the warranty period. Additionally, a catalyst failure while under warranty triggers manufacturer reporting to states. Removing the prohibition against replacing a catalyst while the vehicle emissions warranty is still valid will eliminate this important source of information. In addition, removing catalysts under warranty shortens the time when manufacturers are responsible for the costs of replacing catalysts and shifts the cost to the owner. This cost shift could create a disincentive for owners to repair or replace failed catalysts. As such, the OTC will leave the prohibition in place against replacing catalysts when a vehicle emissions warranty is still valid.**